

**IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

UNITED STATES OF AMERICA,

Plaintiff,

v.

JOHN H. KNOWLES,

Defendant.

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Civil Action No. **3:18-CV-280-L**

ORDER

Before the court is the Findings, Conclusions, and Recommendation (“Report”) of the magistrate judge, filed March 9, 2022, recommending that Plaintiff’s Motion for Default Judgment (“Motion”) (Doc. 18) be denied. The court disagrees that the Motion should be denied and determines that the Motion should be denied in part and granted in part.

The court determines that the findings of the magistrate judge are correct; however, rather than deny the motion in its entirety, the court **accepts** the findings and conclusions with respect to liability. Accordingly, the court **grants** Plaintiff’s Motion for default judgment with respect to liability because Plaintiff’s pleadings and evidence sufficiently show that Defendant Knowles executed the Note in question; that Plaintiff is the current holder of the Note; and that the Note is in default. Accordingly, Plaintiff has established that Defendant Knowles is liable to it.

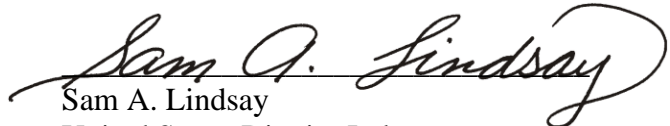
Although Plaintiff has established liability, as noted by the magistrate judge, the amount to which Plaintiff is entitled is unclear. As the magistrate judge noted:

The requested relief appears to differ in kind from what is demanded in the pleadings. Even though Plaintiff’s [C]omplaint and motion for default judgment both request the unpaid principal balance due on the Note and post-judgment interest, the [C]omplaint also requests “all costs and expenses incurred in this action,” while the motion also requests accrued interest. (*See* docs. 1 at 3; 18 at 2.) Additionally, the record is devoid

of any evidence showing when Defendant defaulted on the Note, how the requested costs were incurred by the Treasury and DOJ in this action, and what interest rate applied. Without this information, the amount of judgment cannot be reliably computed from the record. Because the requested relief differs in kind from what is demanded in the pleadings, and Plaintiff fails to present sufficient evidence to support the relief requested, its motion for default judgment should be denied.

Report 9. Accordingly, the court **grants** Plaintiff's Motion for Default Judgment with respect to liability but **denies** it as to the amount of damages to which Plaintiff is entitled. Plaintiff, however, should be given an opportunity to clear up the issue regarding the amount of damages to which it is entitled in light of the Report and this Order. For these reasons, the court **orders** Plaintiff to file a supplemental motion to address and set forth the amount of damages to which it is entitled, and clear up discrepancies identified by the magistrate judge regarding the differences in the amount pleaded and the amount requested in the Motion. *See* Report 8-9. Plaintiff's supplemental motion must be filed by **noon, March 31, 2021**.

It is so ordered this 24th day of March, 2022.


Sam A. Lindsay
United States District Judge